(c) whether any review has been made about the performance of middlemen in clinching the deals?

THE MINISTER OF DEFENCE (SHRI GEORGE FERNANDES): (a) to (c) Existing Government instructions debar the involvement of agents in the purchases being made for Armed Force. Therefore, the question of review about the performances of the middlemen in clinching the deals does not arise. Contracts concluded by the Ministry of Defence stipulate a clause on non-involvement of agents specifying that in case agents are found to be involved in the contract at a later date, the contract will be liable for termination alongwith refund of payments made under the contract with interest and black-listing of the company for a minimum period of 5 years. The amount paid as commission to the agent will also have to be refunded.

Restructuring the decision-making apparatus for weapons systems

2160. SHRI SOLIPETA RAMACHANDRA REDDY: Will the Minister of DEFENCE be pleased to state:

(a) whether a Parliamentary Committee has recommended urgent restructuring of the defence decision-making apparatus and setting up of a single integrated Board of approvals to avoid inordinate and frustrating delays in production and procurement of weapons systems; and

(b) if so, the reaction of Government thereto?

THE MINISTER OF DEFENCE (SHRI GEORGE FERNANDES): (a) and (b) A statement will be laid on the Table of the House.

Discrimination in payment of Ex-gratia and other benefits

2161.SHRIMATI VEENA VERMA: Will the Minister of DEFENCE be pleased to state:

(a) whether there is any distinction between Army personnel killed in action against insurgents and terrorists, e.g. in Punjab, North-East and Jammu and Kashmir and those killed in action before 20th August, 1993 and during 1962, 1965, 1971 and the current conflict in Kargil, in the matter of payment of ex-gratia and other benefits available to the families and dependents of deceased officer;

(b) if so, the details thereof;

(c) the reasons for the distinction and the discrimination; and

(d) the steps taken and being taken to rationalise the system?

THE MINISTER OF DEFENCE (SHRI GEORGE FERNANDES): (a) to (d) Government policy on payment of ex-gratia to the next of kin of battle casualties was formulated for the first time in October, 1996 and under this dispensation ex-gratia of Rs. 1 lakh and Rs. 2 lakhs were paid to the families of Service personnel killed during

the period 20.8.1993 to 30.4.1995 and 1.5.1995 to 31.7.1997 respectively, while performing their duties in encounter with or in an incident involving armed hostiles, extremists, terrorists or other anti-social elements such as dacoits/smugglers and also for those killed in enemy action and border skirmishes. Consequent on the implementation of the recommendations of the Fifth Central Pay Commission, the ex-gratia amount was raised to Rs. 5 lakhs in cases of death occurring due to accidents in the course of performance of duties and in cases of death occurring in the course of performance of duty attributable to acts of violence by terrorists, anti-social elements etc., and Rs. 7.5 lakhs in case of death occurring during enemy action in international war or border skirmishes and action against militants, extremists etc. Further, an amendment was made in August, 1999, in the wake of the Kargil conflict, to provide for ex-gratia of Rs. 10 lakhs for death occurring during enemy action in international war or war like engagements and Rs. 7.5 lakhs for death during (i) border skirmishes and (ii) action against militants, terrorists, extremists etc. The Kargil conflict has been treated as war-like engagement and ex-gratia of Rs. 10 lakhs has been granted to the next of kin of those killed in the said operation.

Apart from the above, the following assistance has been provided from the National Defence Fund:— Rs. 5 lakhs for dwelling unit; Rs. 1 lakh per child for education upto two children per family; Rs. 1.2 lakhs for needy parents who were dependent on the deceased solthers.

In the matter of payment of ex-gratia lump sum compensation a distinction has been made between casualties in war/war-like engagements and those arising out of border skirmishes and action against militants, terrorists, extremists etc., because of the different levels of risk as well as the intensity of action involved in each case.

Prior to August, 1993, there was no ex-gratia payment.

As per extant instructions no distinction is made in payment of terminal benefits to the next of kin of Defence Service personnel killed in the earlier wars/counter insurgency operations/action against militants/terrorists/extremists etc., and in the recent Kargil conflict. The same principle is being followed for grant of Liberalised Family pension to the families of the deceased service personnel. Death Gratuity and Family Gratuity as admissible from time to time.

Requirement for better equipments at Borders

2162. SHRI BRATIN SENGUPTA: Will the Minister of DEFENCE be pleased to state:

(a) whether there is a serious requirement of better equipments for our armed forces at important borders particularly in North-East Frontier,

(b) if so, what steps Government have taken in this regard; and

(c) what are Government's plans for me present and future?